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Wissahickon School District

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Federal Communications Commission
Office of the Secretary

Chairman Michael K. Powell
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Powell:

As you may know, the Universal Service Administrative Company ("USAC") has made the decision to suspend the issuance of funding commitment letters to schools and libraries under the E-rate program. A new policy requires USAC to comply with the Anti-Deficiency Act and other accounting principles governing federal programs. Under the new requirements, USAC cannot commit funding to program beneficiaries unless it has the funds on hand to cover the commitments even though the funds may not be distributed until much later. Accordingly, USAC is unable to commit additional funds to schools and libraries. USAC officials have indicated that the changes in the accounting and spending rules could delay meaningful cash outlays into 2006 and could also delay more than \$1 billion in financing commitments that should be sent by the end of the year. Let me assure you that the new policy being utilized by USAC does have a real impact on our schools.

The Wissahickon School District depends on funding from the E-rate program for telecommunication services and Internet access. The suspension of funding and failure to issue funding commitment letters may force the school district to reduce or eliminate these services. Please be aware that the funding delay is not a one-year issue. The new accounting rules will have the same detrimental impact on funding delays in future programmatic years unless the issue is resolved. On behalf of the Wissahickon School District, I urge you and your colleagues to seek a rapid resolution to the USAC/E-rate funding issue, one that will allow needed funds to flow to schools and libraries and also enable the agency to resume issuing funding commitments.

Thank you for your time and consideration.

Sincerely,

Stanley J. Durtan, Jr., Ed.D.
Superintendent of Schools

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